

Church Financial Planning for 2008

To: Treasurers, Clerks of Session, Pastors, Administrators, Diaconate Chairs

Re: Financial Planning Documents

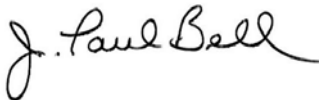
Dear Brothers and Sisters in Christ:

Budget-planning time is upon us again. A number of you have already contacted the ARP Center to request resources and information to assist your church in this process. It is our hope that the resources included in this packet will be valuable to you in developing the actual figures necessary to your task and will also provide helpful information regarding the denomination's use of its resources.

Information and worksheets regarding the Denominational Ministry Fund and Calculation of Benefit Costs are included in this document.

To receive comparative statistics regarding compensation of ministers within the denomination, or if you have questions about the accompanying information, please contact me.

Sincerely in Christ,

A handwritten signature in cursive script that reads "J. Paul Bell". The signature is written in black ink and is positioned above the typed name.

J. Paul Bell
Executive Director, Central Services
ARP Center

DENOMINATIONAL MINISTRY FUND

ARP congregations have been voluntarily giving to Synod causes since 1963. Synod's goal for giving is 20 percent of your congregation's unrestricted receipts.

If your church has met the 20 percent giving goal, please at least maintain that level. If your church has not yet achieved that level, you are encouraged to increase your giving by 1 percent a year until you reach 20 percent.

All churches are expected to contribute at least 10 percent. If your congregation is below that level, please at least maintain your current percentage of giving and increase incrementally as the Lord makes it possible to do so.

While some of our churches recognize the importance of denominational ministry and give sacrificially, a considerable number of congregations do not contribute to the Denominational Ministry Fund at all.

As a connectional denomination, our gifts support all the ministries of General Synod. Consider for a moment what our denomination would be like without:

...**Central Services.** There would be no administrative support for the ministries of Synod and no group benefits programs (medical, dental, long term disability, life insurance and retirement) for our pastors and agency directors.

...**The ARP.** We would have no unifying means of communicating the news and information that is so vital to our understanding of who we are as a denomination.

...**Bonclarken.** We would have no denominational conference and assembly facilities.

...**Erskine College and Seminary.** Our church would have no institution of higher education training men and women to impact the world for Christ.

...**Outreach North America.** We would have no new church plants or home mission development.

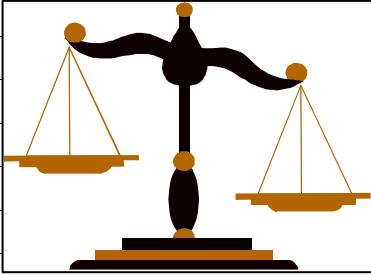
...**World Witness.** The denomination would have no instrument for spreading the Gospel around the globe.

Christian Education Ministries. We would have no central resource for training and educating our members now or in the future.

So, is the Denominational Ministry Fund important? Vitaly so!

INTERNAL WORKSHEET

DENOMINATIONAL MINISTRY FUND - 2008



How Are You Doing?

	Synod Wide	Your Church
Percentage Level of Giving		
2007 Pledge as % of 2005 General Fund (GF)	8.21%	_____ %
Per Active Member GF Giving in 2006	\$ 1,362	\$ _____
Funding Requirements for 2008*		
Per Active Member for Program Ministries	\$ 84.87	\$ _____
Per Active Member for Support Ministries	\$ 21.54	\$ _____
Per Active Member for Total Ministries	\$ 106.41	\$ _____
*Based on 2006 or last reported Active Members		

NAME OF CHURCH: _____ PRESBYTERY: _____

	Example	Your Church
A. To Determine Percentage for Pledge in 2007		
a. Enter General Fund Receipts for 2005 (See 2006 Minutes of Synod)	\$ 117,447	\$ _____
b. Enter Denominational Ministry Fund Pledge for 2007	\$ 9,642	\$ _____
c. Divide Total in "b" by amount entered in "a".	8.21%	\$ _____
B. To Determine Percentage Goal for 2008		
a. If "A.c" is 20% or more, enter Percentage in "A.c"		_____ %
b. If "A.c" is 19% or more, but less than 20%, enter 20%.		_____ %
c. If "A.c" is less than 19%, add one (1) percentage point, but not less than 10%	10.00%	_____ %
***The Percentage entered in "a", "b", or "c" is your 2006 Percentage Goal		
C. To Determine Your Dollar Goal for 2008		
a. Enter 2006 (or estimated 2007) General Fund Receipts	\$ 123,319	\$ _____
b. Multiply General Fund receipts in "C.a" by percentage in "Ba", "Bb" or "Bc"	\$ 12,332	\$ _____
c. Enter Denominational Ministry Pledge for 2007 in "A.b."	\$ 9,642	\$ _____
d. Enter greater of amount in "C.b" or "C.c". This represents your year 2007 Dollar goal for the Denominational Ministry Fund	\$ 12,332	\$ _____

IF YOUR CONGREGATION IS UNABLE TO MEET THE GOAL, YOU ARE ENCOURAGED
TO INCREASE YOUR DOLLAR GIVING SUFFICIENTLY TO MAINTAIN
THE CURRENT PERCENTAGE LEVEL

D. To Maintain Current Level of Giving on a Percentage Basis		
Enter your 2007 percentage level in "A.c"	8.21%	_____ %
Enter your 2006 (or Estimated 2007) GF Receipts from "C.a"	\$ 123,319	\$ _____
This is the amount of pledge to retain same commitment level	\$ 10,125	\$ _____
E. If you Cannot Meet the Minimum Goal but want to give a Pro-Rata Share		
a. Enter the number of Active Members from 2006 Minutes of Synod	31	\$ _____
b. Multiply Number of Active Members by \$ 21.54 for Support Ministries	\$ 668	\$ _____
c. Multiply Number of Active Members by \$106.41 for Program Ministries	\$ 3,299	\$ _____
This is your fair share	\$ 3,966	\$ _____

GROUP BENEFITS

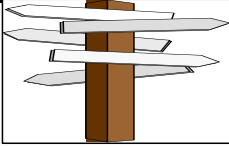
The Board of Benefits is very grateful that the Lord has blessed us with a great insurance year. Through His goodness, we were able to improve the health insurance coverage offered to employees to include:

- Vision coverage
- A 24-hour-a-day Nurse Call Line
- An increased wellness benefit from \$300 to \$1000

There will be no increase in insurance premiums at least until October 2008. For planning purposes, we would encourage you to budget for an increase of 8 – 10 percent for the last quarter of 2008 (The Board of Benefits plan year runs from August 1 – July 31 each year).

Our retirement program remains viable and healthy, providing annuities based on earnings and years of service for the lifetime of program participants. Our program is a defined benefit plan, which places no burden upon the individual participant. While many organizations have had to drop such programs, we are thankful that ours is in such good condition and that the corpus of funds continues to grow.

The following worksheet will aid you in determining your insurance premiums and your contributions for your pastor's retirement plan in 2008.



GUIDE FOR CALCULATING BENEFIT COSTS

A. Enter Base Salary (Exclude Allowances but include amount withheld from salary for a 403(B) Tax Deferred Annuity.)	YES	NO	
B. IS MANSE OR APARTMENT PROVIDED? (Enter "X") (If Manse is Provided, Add 40% of TOTAL BASE SALARY. If Church pays rent/utilities for rental property, enter amount not to exceed 40% of Base Salary.)			
C. HOUSING/UTILITY ALLOWANCE PAID TO PARTICIPANT			
D. AUTO/TRAVEL ALLOWANCE PAID TO PARTICIPANT*			
E. SOCIAL SECURITY ALLOWANCE PAID TO PARTICIPANT			
F. OTHER ALLOWANCES PAID TO PARTICIPANT*			
G. TOTAL ANNUAL EARNINGS (Add "A" Through "F")**			
H. Covered Earnings: If Total in "G" is over \$95,000, \$95,000 will be used.			

RETIREMENT PLAN CONTRIBUTIONS

	YES	NO	
I. DOES EMPLOYEE PARTICIPATE IN ARP RETIREMENT PLAN? (Enter "X")			
J. CONTRIBUTION RATE FOR ACTIVE PARTICIPANTS			
K. ANNUAL CONTRIBUTION (Multiply "J" by 8.5%)			

* Do not include reimbursements under an "Accountable Expense Reimbursement Plan"
 **For Retirement Plan Maximum Earnings is \$95,000.

COVERAGE AREA	PLAN A Sectect Coverage (X)	Plan A Rates	PLAN B Sectect Coverage (X)	Plan B Rates	Enter Cost
Medical (Choose One)					
L. Employee Only		\$ 5,262.48		\$ 5,011.44	
M. Employee + 1		\$ 10,524.96		\$ 10,022.88	
N. Employee and Family		\$ 13,022.76		\$ 12,381.36	
Dental (Choose One)					
O. Employee Only		\$ 329.88			
P. Employee + 1		\$ 659.76			
Q. Employee and Family		\$ 938.64			
Employee Term Life and Accidental Death Rate/\$1,000 (Choose Cagetry)					
R. Erskine Employee		\$ 10,000	0.000239	\$ 28.68	
S. Non-Erskine Hourly Employee		\$ 20,000	0.000239	\$ 57.36	
T. Non-Erskine Salaried Employee		\$ 50,000	0.000239	\$ 143.40	
U. Dependent Life (If Participant has Dependents) Spouse - \$5,000; Dependents Over 6 Mo. - \$2,500. Dependent 15 days to 6 Mo - \$200.		\$ 5,000		\$ 21.36	
Long Term Disability (LTD) - Enter in "T" or "U" Lesser of \$100,000 or Total Earnings (item "I") from Retirement Plan calculations. For Employees not covered by Retirement Plan enter Annual Earnings. Erskine Employees are excluded.					
	Select Coverage (X)		Enter Earnings		
V. For Those Covered by Social Security				\$ 0.00580	
W. If Pastor has elected out of Social Security				\$ 0.00740	
TOTAL ANNUAL INSURANCE COST (Sum of All Items Entered)					

Note on Coverage: Dependent Coverage is Optional for Medical and Dental; Dental Coverage is Optional. Medical and/or Dental Coverage may be waived if the Employee is covered as a Dependent on a Spouse's Policy. Change from Plan A to Plan B or from Plan B to Plan A is permitted in December, to be effective in January.

TOTAL PACKAGE (Retirement and Insurance)			
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